



DEC 27 2012

The Honorable Eddie Calvo
Governor of Guam
Executive Chamber
P.O. Box 2950
Agana, Guam 96932

Dear Governor Calvo:

This letter provides conditional approval of Guam's State Plan (excluding waiver requests) for Title I of the Workforce Investment Act (WIA), and the Wagner-Peyser Act (W-P), including W-P Agricultural Outreach Plan. The Employment and Training Administration (ETA) received the State Plan on September 17, 2012. This letter also separately addresses Guam's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1, issued on August 8, 2012, provide guidance for states to submit their State Workforce Plans and waivers for Program Year (PY) 2012 and beyond. We appreciate Guam's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Guam State Plan in accordance with Title I of WIA and the Wagner-Peyser Act, the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and TEGL No. 21-11. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I and W-P portions of Guam's Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016, with the exceptions noted below. ETA is approving Guam's State Plan on the condition that the Territory provides the following items to meet the State Integrated Workforce Plan requirements:

- The State Plan must provide a memorandum of understanding between the local workforce investment board that must include signatures of each One Stop partner concerning the operation of the One Stop delivery system.

Guam must modify its State Plan to include the above required item, and submit a modification to ETA no later than March 1, 2013. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013.

Guam is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017, under the condition that the information identified above is provided.

Performance Levels

Each year, the Regional Administrator negotiates the Program Year's WIA and W-P performance goals with each state. As required by TEGL Nos. 21-11 and 38-11 dated June 18, 2012, negotiations must be completed by December 31, 2012 for PY 2012. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2012 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate Guam's final performance goals for PY 2012 into the Regional and National Office copies of the State Integrated Workforce Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan.

Waivers

As part of Guam's State Plan, the Territory submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's request for waivers is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the Territory's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the W-P.

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The Territory requested a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The Territory is granted this waiver through June 30, 2017. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The Territory requested a waiver of the requirement for competitive procurement of service providers for all ten youth program elements. Guam is granted this waiver through June 30, 2017. Under this waiver, the Territory is permitted to allow its One-Stop Career Centers or partner agencies to directly provide all ten youth program elements. In utilizing this waiver for these elements, Guam and its local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The Territory requested a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. Guam is granted this waiver through June 30, 2017. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, Guam must use the appropriate program funds for the appropriate WIA-eligible population. Guam may provide customized training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; Guam may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with these funds must serve WIA eligible individuals.

The approved waivers are incorporated by reference into Guam's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with Guam's WIA Grant Agreement and the approved State Plan. In addition, as described in TEGL No. 29-11, Guam should address the impact these waivers have had on its performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. We encourage your efforts in exploring the adoption of the American Job Center brand. We are available to provide technical assistance. If you have any questions related to the issues discussed above, please contact John Jacobs, the Federal Project Officer for Guam, at (415) 625-7940 or Jacobs.John@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosure

cc: Virginia Hamilton, Regional Administrator, ETA Philadelphia Regional Office
John Jacobs, Federal Project Officer for Guam

From: Alfredo Antolin [alfredo.antolin@dol.guam.gov]
Posted At: Monday, September 17, 2012 9:38 PM
Conversation: Guam Integrated Workforce Plan
Posted To: WIA.PLAN

Subject: Guam Integrated Workforce Plan

Hafa Adai,

Submitted herewith is the link to Guam's Integrated Workforce Plan for Title I of the Workforce Investment Act of 1998 and Wagner-Peyser Act for Program Years 2012-2016. We look forward to continue working with the region to address Guam's workforce needs.

<http://dol.guam.gov/StatePlan>

Best Regards,

Jolen



AGENCY FOR HUMAN RESOURCES DEVELOPMENT
Ahensian Inadilanto Yan Guinaha Para Taotao
Government of Guam

Eddie Baza Calvo, Governor of Guam • Ray Tenorio, Lieutenant Governor of Guam
Alfredo O. Antolin, Jr., Director

November 16, 2012

**U.S. Department of Labor
Employment and Training Administration
Region 6, Division of Workforce Investment
90 7th St., Suite 17-300
San Francisco, CA 94103**

**Attn: Ms. Rosemary Cowan, Chief, Division of Workforce Investment
Office of State Systems
Mr. John Jacobs, Federal Project Officer**

**Re: Response to Concerns from State Plan Review Team re: 3 Discrepancies and
7 Additional Items regarding the Guam Workforce Integrated Plan**

Dear Ms. Cowan and Mr. Jacobs,

Buenas yan Hafa Adai! We are in receipt of your email regarding the first 3 discrepancies found upon review of the recently submitted Guam Workforce Integrated Plan and just recently from an email correspondence of October 25, 2012, on the 7 additional items of concern.

Please find the following responses provided regarding your concerns for all ten (10) items listed:

Background:

We are submitting the same waivers that were once approved. When the Guam Integrated Workforce Plan (DRAFT) was released and open for public comments, a newspaper ad was placed in the Marianas Variety circulation on July 18, 2012 and also was posted on AHRD website. The WIA Waiver Requests were on page 55 from the DRAFT Integrated Workforce Plan, in the section referenced PUBLIC COMMENT NEEDED IN THIS AREA.

For the outcome at the duration of this public comment period ending August 15, 2012, no comments were received regarding the waivers. A copy of the newspaper ad is enclosed. The WIA Waiver Requests are shown on page 132 of the recently submitted Guam Workforce Integrated Plan:

**WIA WAIVER REQUESTS
WA 312 Workforce Waivers**

Following below are the existing waivers which have been approved for the Territory of Guam.

414 West Soledad Avenue, GCIC Building, Suite 400 (4th floor), Hagåtña, Guam 96910
Tel: (671) 475-7046/7123 • Fax: (671) 475-7045
Website: www.dol.guam.gov



At this time we request the continued approval for these waivers without revision.

1. Waiver of the required 50 percent employer contribution for customized training referenced in WIA Section 101(8) (c).This waiver will allow Guam to provide customized training to low-income adults with WIA Adult funds, and may provide customized training to dislocated workers with WIA funds. Guam will provide WIA funded customized training and serve those who are eligible participants.
2. Waiver of Section 123 that requires that providers of Youth program elements be selected on a competitive basis. Under this waiver, Guam is permitted to address barriers to allow its One Stop Career Center (OSCC) partners to directly provide all ten (10) Youth elements. It will allow Guam service providers for youth programs to compete given the current high cost of administrative services.
3. Waiver of Section 133(b) (4) to increase the allowable transfer of funds between Adult and Dislocated Worker funding streams allocated to a local area.This waiver will allow Guam the flexibility to transfer funds between the Adult and Dislocated Worker programs in order to be more responsive to labor market demands relative to targeted populations

- **Required Waiver Justification for each of the three (3) waivers Guam is requesting.**

1. ***Waiver of the required 50 percent employer contribution for customized training referenced in WIA Section 101(8) (c):***

The Guam Workforce Investment Board (GWIB) submits this request for a general waiver to change the required 50 percent employer match for customized training delineated in the Workforce Investment Act (WIA) 101(8)(C) to a match based on a sliding scale, ranging from 10 percent to 50 percent for the employer match. Specifically, the Governor shall establish the following sliding scale: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 1-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) will continue to apply.

This waiver will apply to WIA Program Years 2012 to 2016.

Opportunity for Public Comment:

This waiver request will be posted on the GDOL/AHRD's website: <http://dol.guam.gov//>.

2. ***Waiver of Section 123 that requires that providers of Youth Program elements be selected on a competitive basis.***

The Workforce Investment Act of 1998 (WIA) mandates that a competitive model be established to provide programs and services to the youth. For Guam, there are three notable impediments to this mandate:

1. Less competition and an increasingly limited pool of participating sub-recipients,



2. Sub-recipients provide some, but not all, of the required ten (10) youth program elements; and,
3. The cost to provide services in this manner is administratively burdensome and expensive.

Past practice utilizing the competitive model has resulted in a delivery system that serves a very low number of youth and one that relies on a network of service providers who are not equipped to deliver all ten (10) youth program elements in a comprehensive and efficient manner.

The Guam Workforce Investment Board (GWIB) submits this request for a general waiver on the identification of eligible providers of youth activities. Past waivers have allowed the GWIB to utilize the One-Stop Career Center (OSCC) as the primary entry points for the Workforce Investment Act (WIA) Youth Services along with satellite offices that have already been determined. OSCC will continue to develop partnerships, through a formal Memorandum of Understanding, with local community-based agencies who have expertise in delivering youth services including tutoring, referral to alternative secondary school offerings, leadership development opportunities, supportive services, adult mentoring, follow-up services and comprehensive guidance and counseling. Summer employment opportunities tied to year round programming and paid and unpaid work experiences competitively procure those program elements.

OSCC will continue to be staffed with the Employment Program Administrator (EPA) whose responsibility is to oversee all youth services. The EPA, in coordination with Guam Department of Labor/Agency for Human Resources Development (GDOL/AHRD) management and staff and the GWIB Youth Council, will be responsible for determining which program elements cannot be delivered through partnership arrangement and need to be competitively procured. This approach will enable GDOL/AHRD and the GWIB to better manage performance and will also enable vendors to apply for the delivery of program elements that are within the realm of expertise.

This waiver will apply to WIA Program Years 2012 to 2016.

Opportunity for Public Comment:

This waiver request will be posted on the GDOL/AHRD's website: <http://dol.guam.gov/>.

3. Waiver of Section 133(b) (4) to increase the allowable transfer of funds between Adult and Dislocated Worker funding streams allocated to a local area.

The Guam Workforce Investment Board (GWIB) respectfully requests to increase the Governor's transfer authority between the adult and dislocated worker programs described in WIA Section 133(b)(4) and Title 20 of the Code of Federal Regulations Section 667.140, from 20% to 100%.

There is no State statutory or regulatory barrier to implementing the proposed waiver.

Maximum flexibility in the transfer of funds would help ensure that services to both adults and dislocated workers would be maintained at levels sufficient to meet the distinct needs of each group. This flexibility would also help support local service plans that must integrate the cultural, educational, and employment-related needs unique to Guam's workforce community.



1. Enhance the ability of GWIB to respond to workforce and economic dynamics in Guam;
2. Increase local flexibility in the design of Adult and Dislocated Worker service plans;
3. Improve performance outcomes;
4. Improve the ability of GWIB to design programs and provide targeted assistance in response to customer needs; and
5. Enhance GWIB's ability to respond to employer needs for workers trained in employer-specific skills.

As the administrative entity for WIA Title I activities on Guam, the Agency for Human Resources Development/Guam Department of Labor (AHRD/GDOL) will monitor the use of WIA funding. AHRD/GDOL will continue to modify its oversight and technical assistance policies and procedures to accommodate any changes and/or updates necessitated by this waiver.

Opportunity for Public Comment

This waiver request will be posted on the GDOL/AHRD's website: <http://dol.guam.gov/>.

